

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

Foreign CROPS AND MARKETS



VOLUME 63

NUMBER 1

CONTENTS

Page

COTTON AND OTHER FIBER

Cotton-Price Quotations on World Markets	19
Small Cotton Crop in Argentina	22
U.K. Cotton Consumption Reaches Postwar High	24
The Jute Situation in India as of April 30, 1951	20

FOR RELEASE

MONDAY

JULY 2, 1951

FATS AND OILS

Honduras Self-Sufficient in Fats and Oils	2
Fats and Oils Situation in El Salvador	3
Pakistan's Sesame Seed Output Increases in 1950-51	3
Bolivia's Edible Oil Production Rose in 1950-51	4

GRAINS, GRAIN PRODUCTS AND FEEDS

Grain Prices to Argentine Producers Increased	13
Canada Sets Initial Grain Prices for 1951-52	14
U.K. Grain Prospects Improved	14
Uruguay Lifts Price Controls on Rice	15
Canada Increases Rice Imports	15
Burma Maintains Rice Imports	16
Brazil Rice Exports Resumed in 1950	17

LIVESTOCK AND ANIMAL PRODUCTS

Australian Meat Situation	8
Danish Hog Numbers Continue Downward	11
Australian Wool Exports Down	12
Australian Wool Sales and Movement	13
Australian Wool Receipts and Disposals	13

TOBACCO AND TROPICAL PRODUCTS

Austria's Tobacco Production Higher; Imports Lower	4
British East Africa's Tobacco Production Higher; New Cigarette Factory to Open Near Nairobi	3
Pakistan's Unmanufactured Tobacco Imports Higher; Exports Lower	5
Brazil's 1950 Cacao Exports at Peak	6

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

L A T E N E W S

The price paid native growers for first and second grade seed cotton in Angola was increased by 90 centavos and 60 centavos per kilogram, respectively, (about 1.4 and .95 U.S. cents a pound) by authorization of the Government on June 6, 1951. Prices now being paid to farmers for first grade seed cotton in different areas of Angola range from 4.3 to 4.9 cents a pound, while prices for second grade range from 3.0 to 3.6 cents a pound.

In terms of the ginned cotton, these prices are the equivalent of about 14 cents for first grade and 10 cents for second grade. At the time of purchase of the seed cotton, however, 10 centavos per kilogram (.16 cents a pound) will be deducted to establish a fund for the economic and social welfare of the native growers. The revised prices are expected to bring 11,000 contos (almost \$400,000) additional compensation to the growers above the amount received for the 1950-51 crop of 22,000 bales (500 pounds gross weight). The 1951-52 crop, picking of which begins in July, is estimated at 21,000 bales.

Prices paid for Angolan ginned cotton on arrival at Lisbon, Portugal, have increased proportionately from 21.4 cents a pound to 25.9 cents for first grade. These prices are still only about 50 percent of the Lisbon price for other foreign growths of cotton.

FOREIGN CROPS AND MARKETS

Published weekly to inform producers, processors, distributors and consumers of farm products of current developments abroad in the crop and livestock industries, foreign trends in prices and consumption of farm products, and world agricultural trade. Circulation of this periodical is free in the United States to those needing the information it contains in farming, business and professional operations. Issued by the Office of Foreign Agricultural Relations of the U.S. Department of Agriculture, Washington 25, D. C.

COMMODITY DEVELOPMENTS

FATS AND OILSHONDURAS SELF-SUFFICIENT
IN FATS AND OILS

Honduras is self-sufficient in fats and oils with total edible consumption around 2,000 tons a year or about 3 pounds per capita. Locally produced hog lard normally provides at least half the requirements, and coconuts which are exported in sizeable quantities have been the second most important source of edible oil.

Production and trade data for 1950 are not available. However, in addition to lard and coconut oil, recent information submitted by C. P. Torrey, American Consulate, San Pedro Sula, indicates that experimental production of sesame seed and peanuts has met with some success. Also, castor beans are grown on a small scale in many parts of the country and limited quantities of cottonseed are available. Small quantities (about 50 tons) of vegetable shortening and a few tons of crude coconut oil were exported to El Salvador during 1950. Imports were negligible, probably not exceeding 2 tons of vegetable shortening and margarine from the United States.

Corozo nuts are found in the Honduran forests and several attempts have been made to increase collections. These efforts have generally been unsuccessful except during periods of very high prices. Corozo nut oil is nevertheless an important source of oil for soap making.

An important development since the war has been the cultivation of African palms. Experimentation with imported varieties has been carried on for a number of years and actual field plantings began in 1945 when about 1,500 acres were set out. Commercial production of palm oil from these plantings began in June 1950, and 420 tons of palm oil and 45 tons of palm kernel oil were produced during the remainder of the year.

The total acreage in San Alejo is now 3,200 acres and all these palms will be in the commercial bearing stage next year. The palms have been planted on lands which formerly produced bananas. Another tract of 1,000 acres will be in production by 1953. Thus in a few years, Honduras may be in a position to export small quantities of palm oil and palm kernel oil.

FATS AND OILS SITUATION IN EL SALVADOR

El Salvador produces sufficient fats and oils to supply its domestic requirements and permit a small export balance. A vegetable oil industry featuring sesame, but including peanuts, cottonseed and copra, has been developed under high protective tariffs to supplement local sources of animal fats. Hog lard is an important edible fat. About 200,000 head of hogs are slaughtered annually, mostly in government-owned and operated slaughter houses. It is estimated that some 1,500 tons of tallow are also produced annually for use in the soap industry.

Production of sesame seed in 1950 was around 4,600 tons or about half the 1949 output. The decrease was due principally to reduced acreage in favor of cotton. Cottonseed production in 1950 was estimated roughly at 11,250 short tons or an increase of more than 50 percent from 1949. Castor beans are grown on a small scale and used for domestic consumption of castor oil and for export.

There are an estimated 500,000 coconut trees in El Salvador, most of which are concentrated along the Pacific Coast of the central departments. Local growers estimate that production averages 50 nuts per tree and each nut yields about three-fourths of a pound of copra. Some trade representatives believe that a significant coconut export business could be developed. At present, most of the production goes into copra which is pressed and used by local vegetable oil mills.

Total production of vegetable oil and shortening has not been reported. However, export data include 546 tons of both items during the first 9 months of 1950, against 476 tons in 1949. Sesame seed exports amounted to 6,870 tons in the first 9 months of 1950, or about equal to the total of the previous year.

PAKISTAN'S SESAME SEED OUTPUT INCREASES IN 1950-51

Pakistan's sesame seed production in 1950-51 has been forecast at 38,080 short tons, an increase of 36 percent from the 28,000 tons in 1949-50, according to H. W. Spielman, Agricultural Attache, American Embassy, Karachi. The greatest increase in the production of sesame was reported from eastern Pakistan's summer crop.

Except for the North West Frontier Province, there was a general increase in the acreage of this crop throughout Pakistan. The revised final forecast placed the total acreage for 1950-51 at 201,000 compared with 181,000 in the previous year. The increase of 11 percent was attributed to favorable weather and the high prices of oilseeds and oils.

BOLIVIA'S EDIBLE OIL PRODUCTION

ROSE IN 1950-51

Bolivia, a country of roughly 4 million inhabitants, mostly rural, is a deficit producer of edible fats and oils. Though the Bolivian diet is notably deficient in fats, only small quantities of edible oils and lard are imported annually. Oil-bearing seeds have not been imported since the close of 1945.

Although oilseed production data for Bolivia are not available, the principal raw material used is the Brazil nut from the tropical lowlands of the Beni and Pando districts. Peanuts, sunflower seed and flaxseed produced in other regions of the country are also used by the crushing industry. In addition there is some production of lard.

Production of edible oils during 1950-51, according to information available late in 1950, was expected to approximate 770 short tons, over twice the estimated production of 330 tons in 1949-50. The anticipated increase in output was based on the opening in December 1950 of a large edible oil factory at Cochabamba. Expectations were that by the end of 1951 the factory's production would be sufficient to meet Bolivia's edible oil requirements of about 880 tons per year.

Production of lard, largely a home industry, has been estimated at about 720 tons for 1950-51. This is approximately the same as the volume produced in 1949-50.

Imports of edible oils were expected to be only about 110 tons in 1950-51, a sharp decline from the 550 tons imported the year before. Imports of lard in recent years have averaged about 1,930 tons. With consumption of lard estimated by the Ministry of Economy to be 2,650 tons in a normal year, it is apparent that imports comprise the major share of the quantity consumed. Lard imports may be reduced in future years because of the expansion of the edible oil industry.

Production of animal fats for domestic use in Bolivia probably could be expanded since the livestock industry there is important.

TOBACCO AND TROPICAL PRODUCTS

AUSTRIA'S TOBACCO PRODUCTION

HIGHER; IMPORTS LOWER

Austria's 1950 tobacco production is estimated at about 39 percent above the 1949 output, according to R.A.O. Schwartz, Assistant Agricultural Attache, American Legation, Vienna. Imports of unmanufactured tobacco during 1950 were 47 percent below the 1949 total.

Estimated leaf production in 1950 is about 1.5 million pounds, compared with 914,486 pounds in 1949 and 661,380 pounds in 1948. Acreage planted to tobacco in 1950 was 986 acres, or 71 percent above the 578 acres harvested in 1949 and 67 percent above the 591 acres harvested in 1948.

Commercial imports of leaf during the 1950 calendar year, including the leaf supplied under the European Recovery Program, totaled only 17.4 million pounds, compared with 32.8 million pounds in 1949. Of the total leaf imported during 1950 about 9.0 million pounds were supplied through the ERP, practically all of which was supplied by the United States and the remainder by Central American countries. Countries supplying Austria with leaf other than through ERP during 1950 were: Turkey, 4.1 million pounds; Greece, 2.2 million; Yugoslavia, 1.5 million; Brazil, 1.0 million; Hungary, 661,600 pounds; the Netherlands, 514,333 pounds; and all other countries, 845,567 pounds. Stocks of leaf at the end of the 1950 calendar year was roughly 20.9 million pounds, or about the same as at the end of 1949.

BRITISH EAST AFRICA'S TOBACCO PRODUCTION HIGHER; NEW CIGARETTE FACTORY TO OPEN NEAR NAIROBI

British East Africa's 1951 tobacco production is preliminarily estimated at 7 percent above the 1950 harvest, according to O. Gyorgy, American Consulate, Nairobi.

The British East African countries' (Tanganyika, Uganda, and Kenya) 1951 leaf harvest is tentatively estimated at 11.8 million pounds from 8,645 acres. This compares with 11.1 million pounds from 8,346 acres in 1950. The principal tobacco-producing countries in British East Africa are Tanganyika and Uganda, which are expected to produce 6.5 and 4.6 million pounds, respectively, in 1951. During 1950 Tanganyika and Uganda produced 6.1 and 4.1 million pounds of leaf, respectively. The Crown Colony of Kenya's 1951 leaf harvest is expected to be about 700,000 pounds, compared with 845,000 pounds in 1950.

Uganda's 1951 fire-cured harvest is tentatively placed at about 2.4 million pounds, compared with 2.3 million in 1950; flue-cured production for 1951 is estimated at approximately 1.5 million pounds, compared with 1.3 in 1950. Air-cured production for 1951 is set at about 776,500 pounds. There are no data available as to quantities of leaf by types expected in Tanganyika during 1951. However, during 1950, Tanganyika produced 3.3 million pounds of fire-cured leaf and 2.8 million pounds of flue-cured leaf. No information is available as to production by type of leaf for Kenya, the other British East African province.

A new Kenya Tobacco Company cigarette factory with a reported capacity of 50 million cigarettes per month, is expected to begin operation near Nairobi soon. The factory is expected to turn out 3 or 4 different grades of cigarettes with quality and prices comparable to cigarettes already manufactured in East Africa.

PAKISTAN'S UNMANUFACTURED TOBACCO IMPORTS HIGHER; EXPORTS LOWER

Pakistan's 1950 unmanufactured tobacco imports were 55 percent above 1949, according to H. W. Spielman, Agricultural Attache, American Embassy, Karachi. Exports of unmanufactured tobacco during 1950 were very small compared with the 1949 total.

Imports of unmanufactured tobacco in 1950 totaled 4.0 million pounds. This corresponds to 2.6 million pounds in 1949 and 855,756 pounds in 1948. India, the largest single source of unmanufactured tobacco in 1950, supplied 3.4 million pounds, the United States, the second most important source, supplied 630,700 pounds; Burma ranked third, with 13,150 pounds; and the United Kingdom ranked fourth by supplying the remaining 3,130 pounds. Pakistan, in addition to unmanufactured tobacco, imported 304.4 million cigarettes, 930,528 cigars, 11,973 pounds of smoking tobacco, and 13.1 million pounds of other manufactured tobacco products. India was also the largest supplier of cigarettes in 1950, with 221.0 million, or 73 percent of the total cigarettes imported. The United Kingdom, the second most important source of cigarettes, supplied 74.0 million, and the United States ranked third with 7.3 million cigarettes. Other countries supplying Pakistan with cigarettes during 1950 included Burma, Egypt, Spain, and the Netherlands. The countries supplying the cigars, smoking tobacco and other manufactured tobacco products during 1950 included the United Kingdom, the United States, India, Turkey, Spain, and the Netherlands.

Exports of unmanufactured tobacco during 1950 totaled only 100 pounds compared with 47,399 pounds in 1949 and about 400,000 pounds in 1948. The United Kingdom took all the 1950 unmanufactured tobacco.

BRAZIL'S 1950 CACAO EXPORTS AT PEAK

Brazil exported a record total of 293.1 million pounds of cacao beans in 1950, several thousand pounds more than in 1941, according to a report from Bahia. This compares with exports of 291.5 million pounds in 1949, 158.0 million in 1948, and annual average prewar (1935-39) exports of 264.0 million pounds.

Shipments of cacao beans from Brazil to the United States fell off about 27 percent from 214.0 million pounds in 1949 to 155.5 million in 1950. On the other hand, exports to Europe practically doubled, rising from 60.2 million pounds in 1949 to 115.3 million in 1950. Only 53 percent of Brazil's total cacao exports went to the United States in 1950, compared with 73 percent in 1949, 75 percent in 1948, and 71 percent in prewar years. Europe received 39 percent of Brazil's cacao shipments in 1950, compared with 21 percent in 1949, 16 percent in 1948, and 23 percent in the prewar period.

Next to the United States, the United Kingdom was the most important market for Brazil's cacao beans in 1950. Exports to the United Kingdom amounted to 38.0 million pounds in 1950, compared with 19.7 million pounds in 1949, 5.7 million in 1948, and 0.9 million prewar. This is significant since one-half of the world's cacao supply is produced in British West Africa. In this connection, it is worth noting that Brazil exported 13.9 million pounds of cacao beans to Australia in 1950, compared with 1.2 million pounds in 1949 and negligible shipments in earlier years.

BRAZIL: Exports of cacao beans by country of destination, 1950 with comparisons

Country	1935-39	1940-44	1948	1949 1/	1950 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
AMERICA					
Chile	93	1,363	542	573	1,356
United States	187,586	195,500	118,064	214,018	155,461
Other	15,046	17,333	13,488	15,164	1,997
Total	202,725	214,196	132,094	229,755	158,814
EUROPE					
Belgium	2,203	79	4,581	5,964	2,751
Czechoslovakia	121	-	2,756	1,107	2,421
Denmark	2,235	18	-	-	5,784
Germany	27,491	2,866	-	1,676	4,235
Italy	9,263	3,158	2,696	7,146	10,683
Netherlands	9,068	1,449	4,629	13,724	20,443
Norway	1,748	251	-	551	3,271
Sweden	4,565	6,025	1,323	-	4,612
Trieste	-	-	179	930	9,651
United Kingdom	859	192	5,739	19,717	47,957
Other	3,079	4,435	3,093	9,419	3,445
Total	60,632	18,473	24,996	60,234	115,253
AFRICA	197	135	274	65	2,294
ASIA & OCEANIA					
Australia	148	44	-	1,234	13,916
Other	278	261	663	257	-
Total	426	305	663	1,491	13,916
U.S.S.R.	-	-	-	-	2,830
Grand total	263,980	233,109	158,027	291,545	293,107

1/ Preliminary.

Commerce Exterior do Brazil and reports of United States Foreign Service Officers.

The third most important destination for Brazil's cacao exports in 1950 was the Netherlands. Shipments to the Netherlands amounted to 20.4 million pounds in 1950. 13.7 million in 1949, 4.6 million in 1948, and 9.1 million prewar. In prewar years, Germany was Brazil's second leading customer for cacao beans, taking an annual average of 27.5 million pounds.

This trade was cut off by the war, but it is now beginning to revive. Brazil exported 1.7 million pounds of cacao beans to Germany in 1949 and 4.2 million pounds in 1950. Other important destinations for Brazil's 1950 cacao shipments were Italy (10.7 million pounds), Trieste (9.7 million pounds), Denmark (5.8 million pounds), and Sweden (4.6 million pounds).

Brazilian factories consumed in 1950 approximately 55 million pounds of cacao beans in manufacturing cacao products. Most of these manufactured products were exported to the United States, Canada, and other foreign countries. Brazil exported 18.9 million pounds of cacao butter, 13.6 million pounds of cocoa cake, and 4.7 million pounds of cacao paste to foreign markets in 1950. Of these totals, Brazil shipped 9.3 million pounds of cacao butter, 10.2 million pounds of cocoa cake, and 4.5 million pounds of cacao paste to the United States.

LIVESTOCK AND ANIMAL PRODUCTS

AUSTRALIAN MEAT SITUATION

Production

The Australian Meat Board's forecast of meat production in 1951 at 2,277 million pounds is about 1 percent above the 1950 output, according to Thomas C.M. Robinson, Agricultural Attache, American Embassy, Sydney. Mutton and lamb production is forecast at almost 5 percent above the 1950 level, while the output of beef, veal and pork is expected to remain the same as the previous year. In the opinion of Attache Robinson this increase may not materialize if weather and forage conditions are favorable for retaining sheep and lambs for wool production.

Meat production in 1950 reached 2,246 million pounds, almost 5 percent below 1949 but slightly above the prewar average. Beef output was 5 percent above the previous year, reflecting increased cattle slaughter and somewhat heavier slaughter weights. The output of other meats, however, decreased from the previous year. Veal production was down by 1 percent, mutton 14 percent, lamb 26 percent, and pork 8 percent. High prices for wool encouraged farmers to retain sheep for breeding and for wool production, resulting in a 19 percent drop in the number of sheep and lambs slaughtered.

(See accompanying table on following page)

AUSTRALIA: Meat production by types, carcass weight,
1951 forecast, with comparison

Type of meat	Average : : 1936-38 :	1948	1949 1/	1950 2/	1951 3/
	Mil. lb.:	Mil. lb.:	Mil. lb.:	Mil. lb.:	Mil. lb.
Beef	4/	1,223	1,257	1,323	4/
Veal	4/	67	72	72	4/
Total beef and veal ...	1,275	1,290	1,329	1,395	1,395
Mutton	453	368	458	395	407
Lamb	263	275	367	270	289
Total mutton and lamb	716	643	825	665	696
Pork	211	202	203	186	186
Total meat	2,202	2,135	2,357	2,246	2,277

- 1/ Revised.
2/ Preliminary.
3/ Forecast.
4/ Not available.

Compiled from official sources.

Exports

Total meat exports during 1950 (actual weight basis) were almost 13 percent below the previous year, with the largest declines in frozen lamb, beef and pork and canned beef and meat and vegetables. Increases in exports were minor, with the largest in frozen mutton. Reduced exports were the net result of reduced production, increased population and export prices which are below domestic levels.

The United Kingdom is the principal market for Australian meat. During 1950 the United Kingdom took 74 percent of the frozen beef, 90 percent of the frozen lamb, 92 percent of the frozen mutton, 67 percent of the canned beef, 84 percent of the canned meat and vegetables, 30 percent of the frozen bacon and hams, and 98 percent of the canned mutton. The next most important markets were Singapore, Egypt and Hong Kong.

AUSTRALIA: Exports of meat, product weight basis,
in 1950, with comparison

Type of Meat	1938-39	1948	1949	1950
	1,000	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
<u>Frozen or chilled</u>				
Chilled beef	58,963	75	113	7
Frozen beef	200,860	210,792	164,136	151,364
Corned or salted beef	-	-	240	2,655
Veal	12,141	2,792	3,242	4,030
Mutton	28,156	13,762	43,689	54,552
Lamb	158,333	57,597	120,447	89,022
Pork	30,716	6,009	21,826	12,290
Bacon and ham	1,739	6,585	5,657	8,192
Other (offal)	19,395	2,301	1,323	295
Total frozen	510,303	299,913	360,673	322,407
<u>Canned</u>				
Beef	9,053	47,092	58,358	48,479
Sausages	1/	4,105	4,032	3,319
Mutton	805	727	5,780	6,704
Sheeps' tongue	1/	511	658	499
Bacon	-	2,699	1,572	1,525
Veal and ham	1/	1,648	1,633	2,346
Meat and vegetable	1/	24,985	30,811	21,999
Other, n.e.s.	4,970	17,347	7,812	4,567
Total canned	14,828	99,114	110,656	89,438
Total meat	525,131	399,027	471,329	411,845

1/. Data not available; if any, included with other canned meat.

Compiled from official sources.

Current situation and outlook

Meat production during the first 3 months of 1951 dropped about 6 percent below corresponding 1950, the largest decline being in mutton and lamb which decreased by 20 percent. The increase in beef and pork production was not sufficient to offset the decline in mutton and lamb. The volume of meat production during the balance of 1951 depends in large measure on weather conditions, as the development of drought conditions could result in very heavy forced marketings of cattle and

sheep. Assuming a continuation of relatively favorable pasture conditions over most of Australia, a moderate increase can be expected in beef production, but any increase in mutton and lamb is unlikely.

Exports of meat during the first quarter of 1951, according to preliminary data, were almost 40 percent below those of January - March 1950, due almost entirely to the virtual cessation of shipments of frozen mutton and a 56 percent drop in shipments of frozen lamb. Exports of frozen beef and pork and of canned meats in the aggregate increased significantly from early 1950 levels.

DANISH HOG NUMBERS CONTINUE DOWNWARD

Danish hog numbers, according to the May 4, 1951 census, were 320,000 head or 9 percent below the previous March 3 census. Declines were registered in all classes, except bred sows which increased by 10,000 head, probably due to the preference by farmers to have farrowing at the beginning of the summer.

When compared with the May 20, 1950 census, the number of bred sows and total sows showed declines of 12 and 5 percent, respectively, while other classes remained slightly above a year ago. Provided that the number of bred sows remains at the present level, total hog numbers will in 2 or 3 months be about 3,000,000 head, which is about 600,000 or 17 percent less than at the end of 1950.

DENMARK: Hog numbers on May 4, 1951, with comparison

Date	Sows		Suckling pigs	Pigs and slaughter hogs	Total ^{1/}
	Bred	Total			
	1,000	1,000	1,000	1,000	1,000
	<u>head</u>	<u>head</u>	<u>head</u>	<u>head</u>	<u>head</u>
February 11, 1950	197	330	759	2,016	3,117
March 25, 1950	236	353	688	2,161	3,214
May 20, 1950	273	374	637	2,127	3,150
March 3, 1951	229	366	812	2,350	3,541
May 4, 1951	239	357	679	2,173	3,221

^{1/} Includes boars.

Compiled from official sources.

The producer's price of hogs, which was fixed by the cooperative slaughterhouses at 4.12 kroner per kilo (27.1 U.S. cents per pound ^{1/}) slaughter weight, was increased on June 2, 1951, to 4.18 kroner per kilo (27.5 U.S. cents per pound ^{1/}). The slaughter weight limit remained unchanged (60 to 72 kilos or 132 to 159 pounds) and the penalties for overweight and underweight were also unchanged. Feedgrain prices have continued to rise during April and May 1951. Since the first of the year prices for wheat have advanced 23 percent, rye 25 percent, barley 24 percent and oats 29-31 percent.

AUSTRALIAN WOOL EXPORTS DOWN

Wool exports from Australia to all destinations for the first 10 months (July-April) of the current season amounted to 883 million pounds. This is 130 million pounds below total exports for the same 10 months in 1950 and about 5 million pounds below exports made in the same period in 1949. This figure is made up of 772 million pounds greasy, 76 million pounds scoured, 23 million pounds carbonized and about 10 million pounds of noils, tops, and waste.

A breakdown of shipments by country of destination of greasy wool indicates considerable decreases in the amounts destined for the United Kingdom, France, Belgium, Germany, Poland and the Soviet Union. Increases are noted in exports to the United States, Italy, Japan and Sweden.

AUSTRALIA: Exports of greasy wool to major consuming countries and the total exports, July 1950 - April 1951, with comparison.

Destination	1949	1950	1951
	<u>1,000 lbs.</u>	<u>1,000 lbs.</u>	<u>1,000 lbs.</u>
United Kingdom.....	264,230	316,098	229,999
United States.....	62,519	97,736	129,969
France.....	161,951	122,937	111,288
Belgium.....	69,350	99,442	77,333
Italy.....	83,234	48,830	57,382
Japan.....	15,873	49,682	56,897
Germany.....	9,288	45,646	34,679
Poland.....	20,596	33,836	18,354
Soviet Union.....	41,815	29,410	13,616
Sweden.....	2,877	2,665	9,023
Other countries.....	31,853	36,847	33,027
TOTAL.....	763,586	883,179	771,573

Source: Foreign Service Report. (O.F.A.R.)

^{1/} Converted at rate of 1 kroner to 14.49 U.S. cents.

AUSTRALIAN WOOL SALES AND MOVEMENT

Sales of wool in all Australian centers during the month of May 1951 amounted to 304,198 bales of greasy wool and 7,173 bales of scoured, compared to 256,544 greasy and 15,570 scoured in May 1950. The average prices received were \$1.41 and \$2.36 per pound for greasy and scoured wool, respectively, compared to \$.84 and \$1.10 received in May of last year.

AUSTRALIAN WOOL RECEIPTS AND DISPOSALS

Receipts of wool into store in Australia from July 1950 through May 1951 aggregated over 3.5 million bales, about 9 thousand bales less than in the corresponding period last season. However, receipts of new seasons clip only at 3.4 million bales were 64 thousand bales above new wool received in the previous season.

Disposal at auction accounted for 3,353,000 bales this year compared with 3,381,000 last year, while 22,317 bales were shipped abroad for sale compared with 49,045 in the 11 months period ending May 1950. This leaves 164,672 bales in store at the end of May compared with 222,515 last year.

GRAINS, GRAIN PRODUCTS AND FEEDS

GRAIN PRICES TO ARGENTINE PRODUCERS INCREASED

Basic prices to be paid Argentine producers for 1951-52 wheat and corn were announced in a recent presidential radio speech. The Argentine Trade Promotion Institute will pay 34 pesos per 100 kilograms (\$1.85 per bushel) for wheat and 30 pesos (\$1.52 per bushel) for corn. These are initial payments, with a possibility of growers sharing in profits from exports, according to the statement.

Advance publicity had indicated the Government's desire for increased grain acreage in 1951-52. The present announcement of basic prices is not expected to have much effect on plantings this season, however. Seeding intentions had been formulated a month or two before the announcement, and seeding of early wheat was well underway, making it late to change seeding plans significantly. The price increase, moreover, is not believed large enough to stimulate seeding to any great extent. Seeding, which will continue until August, is therefore not expected to be much above the 1950-51 acreage of 16.2 million acres.

The new price for wheat is about 20 percent above the price of 28 pesos per 100 kilos set in advance of the harvest last year. That figure, however, was advanced to 30.50 pesos at harvesttime, making the present rate an advance of 11 percent over the price paid for the 1950-51 harvest.

The corn price of 30 pesos per 100 kilograms is the equivalent of \$1.52 per bushel. Though about 11 percent above the rate paid growers since May, it is still so low relative to export prices that it may not prove effective in stimulating planting. Corn will not be planted until September-November and it is thought that growers will delay their planting plans until August, when price - cost relationships for corn are more clearly defined. Because of rapid inflation and spiraling costs it is not possible to foretell whether this price will be considered profitable when the planting season arrives. Last year growers withheld grain from market at the beginning of the season because the original price of 24 pesos was not considered adequate. As a consequence the price was increased to 27 pesos in early May. Growers were also promised a share of profits from exports, which were being sold at 55 pesos.

No mention was made of prices for barley, rye, and oats in the recent announcements. These crops are grown largely for forage, and the extent of the harvest for grain is mainly dependent on pasture and price conditions during the growing season.

CANADA SETS INITIAL GRAIN PRICES FOR 1951-52

Initial payments to Canadian growers for western wheat and oats for the crop year beginning August 1 will be the same as the 1950-51 advances, but the initial price for barley will be slightly larger. The wheat rate will thus continue at \$1.40 per bushel, basis No. 1 Northern in store Fort William-Port Arthur or Vancouver.

The initial payment for oats will continue at 65 cents per bushel for No. 2 Canada Western in store. The Canadian Government proposes to set the advance for No. 3 Canada Western six-row barley at 96 cents per bushel. This is 3 cents per bushel higher than the initial payment effective for that grade at the beginning of the present crop year. When the grade spreads are announced next August, however, it is not expected that the rate for the feeding grades of barley will show any increase. The increase for No. 3 is intended to provide a more realistic premium for the malting grades over the feeding grades.

It was also announced in mid-June that a 6-cent per bushel carrying charge would be added to the price of wheat sold for domestic consumption in Canada, as well as for export to International Wheat Agreement countries for registration in 1951-52.

U.K. GRAIN PROSPECTS IMPROVED

Weather conditions have improved since late May and have brightened the crop outlook in the United Kingdom. Warmer, sunnier weather has prevailed since about June 1st and conditions for field work have become better with much of the back work being caught up. However, some work is still behind schedule and crops are backward because of late sowings and the cool rainy weather earlier in the season. Acreages of spring sown grains probably will be reduced, compared with 1950 because of the adverse planting conditions, but probably not as much reduction as was expected earlier.

Crops have germinated fairly satisfactorily despite late planting and rough seed beds, which have resulted in some unevenness. Winter wheat and other grains are in fairly good condition but show some patchiness as a result of water-logging in low places and poor seed beds. Spring grains are behind usual development, having been sown late, but are satisfactory on the whole. Hay yields probably will be lower than usual because of excessive moisture and cool weather.

URUGUAY LIFTS PRICE CONTROLS ON RICE

The Uruguayan Government in the first week of June removed controls on the wholesale prices of milled rice. The official ceiling price had been fixed at \$6.68 per 100 pounds (28.00 pesos per 100 kilograms) for polished rice of the Japanese variety. Immediately following the removal of the controls, wholesalers were charging \$9.00 per 100 pounds (37.70 pesos per 100 kilograms) for the same type.

To avoid speculation, the purchase of 6.6 million pounds of the Japanese-type polished rice by the National Board of Food Supply and Price Control (Consejo Nacional de Subsistencias y Contralor de Precios) was authorized for sale in domestic channels. Also, the exportation was authorized of up to 11 million pounds of polished rice to be handled by the National Board. The official exchange rate for these exports was not announced at the time.

CANADA INCREASES RICE IMPORTS

Canadian rice imports during the first quarter of 1951 totaled 19 million pounds in terms of milled rice compared with 14 million pounds during the same period a year earlier. Imports were of 18 million pounds of rough rice from the United States and Egypt, and 6 million pounds of milled rice principally from the United States and Brazil (rough rice is converted to terms of milled at 65 percent).

The importation of rice from countries other than the United States continued from 1950, when for the first time since the war Canada was able to procure rice from other sources. These new sources in the 12 months ended March 1951 have been primarily Thailand, Egypt, and Brazil.

CANADA: Rice imports, by country of origin,
January-March 1951, with comparisons

Country of origin	January-March					
	Average 1936-40	1948	1949	1950	1950	1951
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Uncleaned 1/						
United States...	11.8:	59.7:	50.1:	52.8:	20.6:	15.3
Br. India and						
Burma.....	25.4:	0:	0:	0:	0:	0
Hong Kong	5.2:	0:	0:	0:	0:	0
Japan.....	5.8:	0:	0:	0:	0:	0
Thailand	4.3:	0:	0:	13.1:	0:	0
Egypt	1.2:	0:	0:	9.9:	0:	3.1
Brazil	1.9:	0:	0:	8.8:	0:	0
Other countries:	1.4:	0:	0:	0:	0:	0
Total	57.0:	59.7:	50.1:	84.6:	20.6:	18.4
Cleaned rice						
United States...	5.5:	0.5:	0.6:	4.9:	0.2:	3.0
Brazil.....	0:	0:	0:	0:	0:	3.3
Other countries:2/	8.4:	0:	0:	0:	0:	0.2
Total.....	13.9:	0.5:	0.6:	4.9:	0.2:	6.5

1/ Uncleaned, unhulled, paddy. 2/ Includes 6 million pounds from Hong Kong.

Trade of Canada.

BURMA MAINTAINS
RICE IMPORTS

Burma's rice exports during April and May totaling 259 and 356 million pounds, respectively, brought January-May shipments to 1,212 million pounds of milled rice (includes a negligible quantity of bran in April and May). This was larger than the below-normal exports of 955 million pounds during the same period a year ago, but less than the 1,555 million pounds in the corresponding months of 1949. The principal exports during April and May were to Ceylon, Indonesia, Japan, and Okinawa.

(See accompanying table on following page)

BURMA: Rice (milled) exports by country of destination,
April and May 1951, with comparisons

Country of destination	Average 1936-40	1950 1/	1951 1/		
			January- May	April 2/	May 2/
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
India.....	3,532:	426:	237:	3/	46
Ceylon.....	807:	942:	450:	124:	118
Maylaya.....	508:	59:	9:	0:	2
Indonesia.....	156:	436:	218:	73:	90
Hong Kong.....	4/	18:	3/	3/	0
China.....	117:	68:	0:	0:	0
Japan.....	5/ 233:	379:	143:	41:	34
United Kingdom.....	128:	17:	12:	9:	2
Other Europe.....	497:	52:	13:	2:	4
Mauritius.....	61:	49:	5:	0:	0
French and Portuguese	:	:	:	:	:
India.....	4/	46:	5:	0:	0
Near East.....	4/	98:	43:	6:	7
Other countries.....	465:	49:	77:	4:6/	53
Total.....	6,504:	2,639:	1,212:	259:	356

1/ Preliminary. 2/ Includes a small amount of bran. 3/ Less than 500,000 pounds. 4/ Not separately reported. 5/ Japan, Korea, and Taiwan. 6/ Includes 34 million pounds to Okinawa.

Compiled from official sources.

BRAZIL RICE EXPORTS
RESUMED IN 1950

Brazil exported 209 million pounds of rice in 1950 following a season when virtually no rice was shipped abroad. Approximately three-fourths of the shipments went to European countries, primarily to the United Kingdom. Exports during 1951 were expected to continue from old-crop supplies and from the surplus of the recent 1951 harvest, which was reported to be a very good crop.

BRAZIL: Rice (in terms of milled) exports, by country of destination, averages 1936-45, annual 1947-50

Country of destination	Average		1947	1948	1949	1950 1/
	1936-40	1941-45				
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Argentina	42	3	0	0	0	0
United Kingdom..	2	2/ 123	6	0	0	125
Germany	8	0	0	5	0	0
Sweden	2	11	0	3/	0	0
Switzerland.....	2	9	26	3	0	4
France	9	0	0	0	0	2
Un. of South Africa	3/	19	20	35	0	0
Senegal	0	0	17	33	0	31
Ceylon	0	2/	141	36	0	0
India	0	2/	70	127	0	0
Malaya	0	2/	63	62	0	0
Portugal	3/	3/	39	0	0	24
Belgium	5	0	28	21	3/	2
Venezuela	1	3/	31	9	0	0
Fr. West Indies..	0	5	11	13	1	7
Bolivia	4	1	11	3/	3/	1
Other countries..	9	14	4/ 68	5/ 131	1	13
Total	84	185	531	475	2	209

1/ Preliminary. 2/ During the war, most of the rice purchased by the United Kingdom was delivered to Empire countries. 3/ Less than 500,000 pounds. 4/ Includes 32 million pounds to Syria and Lebanon and 10 million to China. 5/ Includes 42 million pounds to Indonesia, 18 million each to British West Indies and Lebanon, and 12 million pounds to Reunion.

Compiled from official sources.

COTTON-PRICE QUOTATIONS ON WORLD MARKETS

The following table shows certain cotton-price quotations on world markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, U.S. gulf-port average, and taxes incident to exports

Market location, kind, and quality	Date 1951	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound	
					Spot quo- tation	Export and inter- mediate taxes
<u>Alexandria</u>		:Kantar				
Ashmouni, Good.....	6-28	: 99.05 lbs.	:Tallari	: 115.00	: 66.66	: 2.96
Ashmouni, FGF.....	"	: "	: "	: 94.00	: 54.49	: 2.96
Karnak, Good.....	"	: "	: "	: 152.00	: 88.11	: 2.96
Karnak, FGF.....	"	: "	: "	: 140.00	: 81.15	: 2.96
<u>Bombay</u>		:Candy				
Jarila, Fine.....	"	: 784 lbs.	:Rupee	:1/ 770.00	: 20.50	: 21.30
Broach, Vijay, Fine...	"	: "	: "	:1/ 840.00	: 22.36	: 21.30
<u>Karachi</u>		:Maund				
4F Punjab, SG, Fine...	6-26	: 82.28 lbs.	: "	:2/ 109.00	: 39.96	: 23.09
289F Sind, SG, Fine...	"	: "	: "	:2/ 116.00	: 42.53	: 23.09
289F Punjab, SG, Fine...	"	: "	: "	:2/ 118.00	: 43.26	: 23.09
<u>Buenos Aires</u>		:Metric ton				
Type B.....	6-28	: 2204.6 lbs.	:Peso	:3/ 8000.00	: 72.58	: 6.77
<u>Lima</u>		:Sp. quintal				
Tanguis, Type 3-1/2...	6-26	: 101.4 lbs.	:Sol	: 655.00	: 43.20	: 20.67
Tanguis, Type 5.....	"	: "	: "	:3/ 640.00	: 42.21	: 19.66
Pima, Type 1.....	"	: "	: "	(not quoted)		
<u>Lecife</u>		:Arroba				
Mata, Type 4.....	6-28	: 33.07 lbs.	:Cruzeiro	:3/ 335.00	: 55.12	:2.4% ad
Sertao, Type 5.....	"	: "	: "	(not quoted)		: valorem
Sertao, Type 4.....	"	: "	: "	:3/ 345.00	: 56.76	: " "
<u>Sao Paulo</u>						
Sao Paulo, Type 5.....	"	: "	: "	: 300.00	: 49.36	:3.0% ad
<u>Torreon</u>		:Sp. quintal				: valorem
Middling, 15/16".....	"	: 101.4 lbs.	:Peso	: 290.00	: 33.06	: 11.54
<u>Houston-Galveston-New</u>						
Orleans av.Mid. 15/16"	"	:Pound	:Cent	: XXXXX	: 44.86	: ----

Quotations of foreign markets and taxes reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

1/ Ceiling price.

2/ Prices omitted from last week's table: Karachi, June 20, 1951, in rupees per maund with U.S. cents per pound in parentheses, 4F Punjab, SG, Fine, 122.00 (44.73); 289F Sind, SG, Fine, 129.00 (47.30); 289F Punjab, SG, Fine, 132.00 (48.40); taxes 23.09 cents. Torreon, June 21, 1951, in pesos per Spanish quintal, Middling, 15/16" 290.00 (33.06); taxes 11.54 cents.

3/ Nominal.

THE JUTE SITUATION IN INDIA
AS OF APRIL 30, 1951 1/

The final official estimate for the Indian jute crop of 1950 was released April 19, 1951, according to a report from the American Consulate in Calcutta. The crop is estimated at 1,317 million pounds, compared with 1,236 million in 1949. This quantity is considerably short of the 2,000 million pounds announced as a target, and the 1,600 million informally estimated in July 1950.

Acreage planted to jute was increased from 1,163,000 acres in 1949 to 1,449,000 in 1950, but the average yield per acre decreased more than 14 percent. Plans of the Indian Central Jute Committee aim for higher average yields in 1951. Trade estimates for the 1951 crop indicate about 1,600 million pounds if weather conditions are favorable.

Exports of raw jute from India were prohibited in order to assure a better supply to the mills, and no reports of any shipments during April have been recorded.

Under the trade agreement signed with Pakistan on February 25, 1951, India was to receive 350,000 bales (or 140 million pounds) of raw jute from Pakistan during the month of March. Delivery was delayed for various reasons and the time was extended for another month. It was reported, however, that less than half of the quantity had been loaded in Pakistan by the end of April and less than 30 percent of the agreed quantity had actually been received by the mills.

A total of about 260 million pounds of jute was to be purchased in Pakistan by private Indian interests. It is reported that these private purchases have been slow and that few deliveries had been received by April 30. The cause of the delay is said to be the difficulties encountered by persons unfamiliar with the procedures of foreign import and exchange, lack of definitely prescribed procedure, and the difficulties involved in financing purchases on which delivery dates are uncertain and often long delayed.

The rate of mill consumption of raw jute during the first 4 months of 1951 exceeded receipts at mill stations. (See Table I). Consumption was relatively low in March as a result of the 10-day statutory holiday.

The price of raw jute reached an all-time peak in the Calcutta market on April 9, declined somewhat until the week end of April 21-23, then rose again by the end of the month. The high prices are generally the result of the tight supply of raw jute from the old crop in India and the possibility that receipts will be limited from Pakistan. Some relief is expected when the new crop begins to reach the market. The fluctuations in price are believed to result partly from manipulations by owners of large quantities of jute. (See Table II for prices of raw jute in Calcutta.)

1/ A more extensive statement will soon be published as a Foreign Agriculture Circular by the Office of Foreign Agricultural Relations, U.S. Department of Agriculture, Washington 25, D.C.

Table I. Receipts and consumption of raw jute by Indian mills, January-April 1951

Months	Received at mill stations 1/			Mill consumption
	From India	From Pakistan 2/	Total	
	Million pounds	Million pounds	Million pounds	Million pounds
<u>1951</u>				
January.....	131	48	179	187
February.....	78	43	121	170
March.....	70	21	91	124
April.....	114	58	172	173
Total.....	393	170	563	654

1/ Compiled from data of the Bengal Chamber of Commerce, Calcutta.

2/ Jute from Pakistan includes only that imported for consumption within India. The total amount of Pakistan jute entering Calcutta in bond from July 1, 1950, to April 30, 1951, was 594 million pounds.

Table II. Prices of raw jute in Calcutta during April

Date	Pakistan jute		Assam jute		Northern Indian jute		Jungli jute		Mesta
	Middle	Bottom	Middle	Bottom	Middle	Bottom	Middle	Bottom	
	Equivalent cents per pound								
<u>April</u>									
2	25.0	23.7	23.0	22.2	23.0	22.2	21.9	21.2	20.4
7	26.8	25.5	25.5	24.8	25.5	24.8	23.2	22.5	22.2
9	29.3	28.1	28.1	26.8	28.1	26.8	25.5	24.8	25.5
11	27.3	26.0	26.8	26.0	26.8	26.0	-	24.8	24.0
13	26.0	24.8	25.5	24.8	25.5	24.8	-	24.0	22.5
16	25.0	23.7	25.0	24.2	24.8	24.0	-	21.7	20.4
18	25.5	24.2	25.8	25.0	25.5	24.8	-	22.2	20.4
21	24.2	23.0	23.2	22.5	23.2	22.5	-	21.7	18.4
23	24.2	23.0	23.0	22.2	23.0	22.2	-	20.4	19.1
26	25.5	24.2	25.0	24.2	25.0	24.2	-	23.0	20.9
30	26.0	24.8	25.5	24.8	25.5	24.8	-	23.5	21.7

Compiled from reports of J. Thomas and Company.

Mesta is being used as a jute substitute, and considerable quantities are produced in India. Details of mesta production are not available. It is believed that some of it probably is included in jute production figures, especially in those for Bihar in 1949.

Jute production in Pakistan was believed to be greater in 1950 than in 1949, although acreage was estimated to be less, according to a report from the American Embassy at Karachi. The official estimate was 1,742 million pounds harvested from 1,286,000 acres in 1950, compared with 1,333 million pounds from 1,561,000 acres in 1949. Trade estimates of the crop are considerably larger than official figures, but they also indicate increased output in 1950. Trade estimates are 2,400 million pounds in 1950 and 2,000 million in 1949.

Plantings for the 1951 crop had not been completed at last reports, but the area seemed to be running generally 25 percent more than in 1950.

Exports of jute and jute cuttings are reported to be moving through the port of Chalna. In January 11.3 million pounds were recorded, and 29.5 million in February. The new anchorage at Chalna proper had not been completed at that time. During February a total of 51.4 million pounds were exported through Chittagong.

Exports from East Pakistan during the 8 months July 1950-February 1951 are estimated as follows:

	Million pounds
Shipments to countries other than India:	
Via Calcutta and Chittagong, July 1-December 31.....	908.2
From Chittagong, January-February.....	116.2
From Chalna, January-February.....	30.0
Calcutta bond shipments, January-February.....	160.0
Shipments to India.....	880.0
Total shipments from East Pakistan.....	<u>2,094.4</u>

SMALL COTTON CROP IN ARGENTINA

The 1950-51 cotton crop in Argentina, with the harvest nearing completion, is unofficially estimated at about 400,000 bales (500 pounds gross weight), or little more than 60 percent of the 1949-50 production of 643,000 bales, according to C.A. Boonstra, Agricultural Attache, American Embassy, Buenos Aires. It is the smallest Argentine cotton crop since the 1946-47 season.

Acreage planted to cotton during the current season totaled 1,250,000 acres (about 1,200,000 harvested) compared with 1,141,000 acres harvested in 1949-50. Considerable replanting was necessary for the 1950-51 crop, which caused much of the cotton to germinate almost 20 days later than normal. An exceptionally cool and moist growing period prevented proper growth and bolling of the plants. In addition, insect damage was greater than usual, attributable to the damp weather and a shortage of insecticides. Yields consequently decreased to about 160 pounds of lint per acre, considerably below the most recent 5-year average (1945-46 through 1949-50) of 211 pounds.

Trade sources estimated the mill consumption in 1950 at 435,000 bales, with the rate thus far in 1951 reported at about 460,000 bales annually. The current crop apparently is about 60,000 bales below probable domestic consumption. This deficit will be counter-balanced in part by approximately 25,000 bales of old-crop cotton still in possession of dealers at the beginning of the season. Also, mill stocks are reported to be large enough to permit considerable reduction in order to maintain the current high rate of mill consumption. In addition to the usual small quantity of long-staple cotton imported, it may be necessary to import some Brazilian or Paraguayan cotton to assure an adequate supply for Argentine mills.

Exports of cotton during the first 3 months of 1951 were exceptionally large, totaling almost 120,000 bales. The countries receiving the largest portion of this cotton were Italy and the United Kingdom, with substantial quantities going to Spain, the Netherlands and Japan. Shipments continued at a high rate in April, amounting to almost 40,000 bales, giving a total of about 160,000 bales in the first 4 months of 1951, compared with exports of 161,000 bales throughout 1950. These large exports, combined with the prospects of a small crop, led the Government to suspend all cotton exports indefinitely on May 10. The announcement stated that applications for export licenses would no longer be considered, expiring licenses would not be extended, and existing licenses would not be honored unless revalidated. With the acute domestic supply situation, it is expected that very little cotton will be released for export until the size of the 1951-52 crop can be determined.

Cotton prices reached a record high in late April, stimulated by prospects of a small crop, large mill consumption and active foreign demand. The ban on further exports on May 10 caused prices to decline somewhat. For example, Type B cotton on the Buenos Aires Exchange fell from a peak equivalent of 80 U.S. cents a pound in April to less than 73 cents in May and June.

U.K. COTTON CONSUMPTION
REACHES POSTWAR HIGH

Consumption of raw cotton in United Kingdom spinning mills reached a postwar high during the month of April 1951, according to Kathleen M. Greaves, American Consulate, Manchester. During that month, consumption amounted to 174,000 bales (500 pounds gross weight), representing an average weekly consumption of about 43,500 bales.

This level was equal to that in 1938, though still below other prewar years. The cumulative total of mill consumption in the 9 months, August 1950 through April 1951 (39 weeks), was about 1,560,000 bales, or a little more than 2 percent above the 1,525,000 bales consumed in the corresponding period a year ago. Consumption during the entire 1949-50 year totaled 2,094,000 bales.

In order to maintain adequate supplies of American-type cotton, with staple length between 7/8 and 1 1/4 inches, the Raw Cotton Commission has found it necessary to obtain cotton from sources other than normal suppliers. Subsequently, some cotton of this type has been purchased from Argentina, Syria, Turkey, El Salvador and Nicaragua. While it was thought that this cotton could be readily used in place of United States cotton, the mills discovered that this was not true. Although these other growths are acceptable as adulterants with American cotton, the quality of the yarn inevitably suffers. However, it is believed that the current level of consumption can be maintained with raw cotton already in the United Kingdom or purchased for delivery in the coming months. Whether the desired increase in production of cotton goods can be attained remains uncertain until more accurate forecasts of the size of the cotton crops of the United States and other countries are available.

